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SIPDIS

DEPARTMENT FOR EUR/CE JAMIE MOORE

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TAGS: PREL EU HU

SUBJECT: HUNGARIAN COMMENTS ON THE SEPTEMBER GYMNICH

REF: NARDI AUGUST 28 EMAIL

Classified By: PolOff Jon Martinson, reasons 1.4 (b,d)

11. MFA EU External Relations and Crisis Situations Section Chief Andras Dekany discussed ref email topics with PolOff on September 3 and provided the following comments concerning the agenda items:

12. (C) Israel-Palestinian Peace:

 $\mbox{--}$ Referring to the September summit, Dekany said that Hungary looks for "new arrangements " to renew the peace talks, and believes that the EU must examine how it can be more effective in moving the process forward. He added that the mandate of the Quartet should be expanded to include Syria and Lebanon in the discussions because of their role in the region. Dekany said that Hungary expects Israel to comply with expectations outlined in President Obama's settlement statements, and longer term commitments by Israel are needed on its settlement policy. Hungary also views recent Israeli comments as to the exclusive nature of the State as "not acceptable." Hungary also believes action is needed to strengthen the Palestinian Authority's leadership, while the conditions for a relationship with Hamas remain the same - "the Quartet principles." Commenting on a potential upgrade of the EU/Israeli relationship, Dekany said that Hungary takes a middle-of-the-road position: "the relationship should not be tied directly to Israel's behavior in the Middle East, but at the same time, not entirely separated from such behavior.

13. (C) Iran:

-- Hungary considers the EU's primary strategic objective is to prevent Iran from developing a nuclear military capability. Within the context of the P5 Plus One process, the EU should work towards a "credible timeline," while preparing, in cooperation with the United States and other powers, additional measures to be undertaken if Iran refuses to cooperate with the international community. Dekany added that if Iran is not willing to negotiate, then the EU must consider further sanctions, "first and foremost, working with the UN Security Council, as well as in consultation with regional powers." In this context, Hungary will propose that the EU's Council Secretariat be charged with developing policy options. Dekany emphasized that Hungary is "ready to join sanctions, if and when needed." In a final comment on the topic, Dekany said that those working the Iran issue should also take into account the synergy with the Middle East peace process, as some Middle East countries may be willing to adopt a more flexible role based on their security concerns vis-a-vis Iran. He suggested that NATO members should exchange views on this as well.

14. (C) Afghanistan:

-- Referencing the agenda's "strategy paper," Dekany said that, currently, there is a presidency "non-paper" being

circulated with a targeted adoption date, either at the October or November GAERC. He added that Hungary agrees in general with the non-paper's priorities and objectives, however they need to be "more focused, with more effective and efficient use of EU resources." Dekany listed three main objectives for the EU: police reform; strengthening government capacities at the national and local level; and institution building. He said that Hungary will press for a more comprehensive picture of EU activity in Afghanistan, as currently in-country activities are too compartmentalized.

15. (C) Pakistan:

-- Expressing his personal view that Pakistan, rather than Afghanistan, is "the biggest challenge" in the region, if for no other reason than the size of the population and country, Dekany said that the EU must bear in mind that its primary objective is to strengthen civil institutions and the Government. He underscored that the EU must take into account Pakistan's requirements, and focus on assistance with counter-terrorism, effective governance, economic, and commercial cooperation. Dekany added that the EU is considering establishment of a bi-annual EU/Pakistan summit that reflects Pakistan's key role in the region. LEVINE